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FM AMEMBASSY RANGOON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4045  
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS  
RUEHBJ/AMEMBASSY BEIJING 0612  
RUEHBY/AMEMBASSY CANBERRA 9403  
RUEHKA/AMEMBASSY DHAKA 3977  
RUEHLO/AMEMBASSY LONDON 1458  
RUEHNE/AMEMBASSY NEW DELHI 3153  
RUEHUL/AMEMBASSY SEOUL 6503  
RUEHKO/AMEMBASSY TOKYO 4114  
RUEHCI/AMCONSUL CALCUTTA 0577  
RUEHCN/AMCONSUL CHENGDU 0565  
RHHMUNA/CDR USPACOM HONOLULU HI  
RUEHGV/USMISSION GENEVA 2512  
RHEHNSC/NSC WASHDC  
RUCNDT/USMISSION USUN NEW YORK 0177  
RUEKJCS/SECDEF WASHDC  
RUEHBS/USEU BRUSSELS  
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L RANGOON 000157

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STATE FOR EAP/MLS; PACOM FOR FPA

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TAGS: [EAID](#) [PGOV](#) [PHUM](#) [SOCI](#) [KHIV](#) [BM](#)

SUBJECT: AN ALTERNATIVE TO THE GLOBAL FUND IN BURMA

REF: A. RANGOON 154

- [1](#)B. RANGOON 93
- [1](#)C. RANGOON 79
- [1](#)D. 05 RANGOON 1422
- [1](#)E. 05 RANGOON 1216
- [1](#)F. 05 RANGOON 1202

Classified By: Poloff Dean Tidwell for Reasons 1.4 (b, d)

[1](#)1. (U) SUMMARY: Six Western donor countries seek to establish a new fund addressing Burma's "Three Diseases" of HIV/AIDS, malaria, and TB. A "formulation team" of consultants will visit Burma for three weeks in February to establish the parameters for the program, which the UN Office for Project Services would manage. The donors have asked the GOB to be transparent, to grant expatriates full access to project areas, and to allow importation of all necessary project hardware -- a very tall order in the current environment. END SUMMARY.

[1](#)2. (U) According to an Australian aid official, six donor nations plan to set up an alternative fund to replace the Global Fund in Burma (refs D and F). The European Commission (EC), UK's DFID, the Swedish International Development Agency (SIDA), AusAID, and the Netherlands and Norwegian embassies have formed a core group to establish what they tentatively call the "Three Diseases Fund" (HIV-AIDS, TB and malaria). The EC has sponsored a "formulation team" of European consultants to visit Burma for three weeks from February 9. The team will establish priorities, prepare operational guidelines, and draft a proposal for donors. Their visit begins with a workshop for GOB officials and development organizations, chaired by the GOB's National AIDS Program.

[1](#)3. (U) The donors and partners have decided to invite the UN Office for Project Services (UNOPS) to manage the fund in Burma. UNOPS plans to establish an operational office in Rangoon in May. AusAID expects the new fund will start its activities in July, when the remaining Global Fund monies are exhausted. UNAIDS, perhaps more realistically, sees the new

fund beginning around November when the Fund for HIV-AIDS in Myanmar (FHAM), an existing cooperative program between the GOB and donors, runs out of money. UNAIDS also expects that many current FHAM staff will transfer to the new fund to help provide continuity.

14. (C) The donors of the new fund regularly brief the Ministry of Health (MOH), which strongly supports the establishment of the new mechanism. The donors have stressed to the MOH that there must be transparency, expatriate staff must have access to all project sites, and there cannot be any restrictions on the import of vehicles and supplies needed for the project. While the MOH agreed to these key requirements, commitment of the senior military leaders is uncertain. Privately, UK Ambassador Vicky Bowman, a driving force behind the new fund, expressed that "we may fail for the same reasons as the Global Fund."

15. (C) COMMENT: The visit of the "formulation team" comes at the worst possible time. The GOB's plan to impose further controls on the activities of INGOs and UN agencies in Burma has left most of these organizations in limbo (ref A). The recent suspension of the MOUs of six NGOs working in HIV-AIDS harm reduction (ref B) and increased curbs on the ILO (ref E) and UN agencies (ref C) also signal negative implications for any new fund in Burma. HIV/AIDS, malaria, and TB continue to spread among the Burmese people and beyond, presenting a crisis for the entire region. However, the military seems more determined to protect itself from the infectious discontent of its own people rather than protecting the Burmese people from infection. END COMMENT.  
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